

## **Informational Release--Background**

**IMPORTANT: This information is embargoed for a publication release date on or after December 1, 2003**

### Virginia Medicaid Announces Pharmacy Changes

The Virginia Department of Medical Assistance Services (DMAS) is implementing a Preferred Drug List (PDL) Program for the Medicaid and MEDALLION fee-for-service population. Details regarding the PDL program are contained in a Medicaid Memo being sent, along with related materials, to all Medicaid providers prior to the program implementation in January, 2004. It is important that medical providers read all the data in the packet in order to become familiar with the changes in how prescription drugs are authorized for payment. Prescribers and pharmacies can find up-to-date information related to the PDL program on the Department of Medical Assistance Services' web site at [www.dmas.state.va.us](http://www.dmas.state.va.us) or at the First Health Services' web site at <http://virginia.fhsc.com>.

A PDL program is a type of prior authorization plan that divides Medicaid covered prescription drugs into two categories: those that require prior authorization before they can be dispensed, and those that do not. While there are many classifications of drugs that are not subject to the PDL or prior authorization, a PDL contains a wide range of generic and brand name products that have been approved by the Food and Drug Administration (FDA). The design of the PDL program must ensure access to prescription drugs for Medicaid clients.

The DMAS Pharmacy and Therapeutics Committee (P&T) conducts comprehensive clinical reviews of therapeutic drug classes to determine whether a drug should be on the Preferred Drug List. In general, a medication becomes a preferred drug based on safety and efficacy first, then on cost-effectiveness.

Beginning January 5, 2004, pharmacists will receive a message when filling a patient's prescription for a drug that requires prior authorization. Prescribers will receive a call from the pharmacy provider as a result. This provides an opportunity for the patient's medications to be reviewed and changed or for the prescriber to contact First Health Services to provide medical justification. Prior authorization is available by telephone, fax or mail.

A complete list of preferred drugs in each of these therapeutic classes is included with the Medicaid Memo mailed to prescribers and pharmacies. This memo also will provide a suggested format for calls and faxes requesting authorization of drugs. Prescribers are encouraged to review their Medicaid patients' drug regimens immediately and consider moving appropriate patients to the preferred drugs before the program begins. Virginia Medicaid has the ability to process a proactive prior authorization request when the treating physician determines that continued use of drug is medically necessary. Prescribers' early participation in this program will help DMAS continue to offer quality medical services through the Medicaid program while conserving limited Medicaid funds.

Prescribers and pharmacists can have questions answered or begin the proactive prior authorization process by calling the toll-free number 800-932-6648.